

**THE MINUTES OF THE SPECIAL CITY COUNCIL MEETING HELD
TUESDAY, OCTOBER 11, 2016 AT 7:30 A.M.**

The Meeting was called to order at 7:30 a.m. Present: Council Chair Gaylor Baird; Council Members: Christensen, Eskridge, Fellers, Lamm, Raybould; Absent: Camp; City Clerk: Teresa J. Meier.

Council Chair Gaylor Baird announced that a copy of the Open Meetings Law is posted at the back of the Chamber by the northwest door. She asked all present to stand and recite the Pledge of Allegiance and observe a moment of silent meditation.

READING OF THE MINUTES

CHRISTENSEN Having been appointed to read the minutes of the City Council proceedings of October 5, 2016, reported having done so, found same correct.

Seconded by Eskridge & carried by the following vote: AYES: Christensen, Eskridge, Fellers, Gaylor Baird, Lamm, Raybould; NAYS: None; ABSENT: Camp.

PUBLIC HEARING

APPROVING THE 2016-2017 CITY TAX RATE OF .33366 PER \$100.00 OF ASSESSED VALUATION;
APPROVING THE 2016-2017 CITY TAX RATE OF .32194 PER \$100.00 OF ASSESSED VALUATION -

Cameron Murphy, 1001 West Dilin Street, came forward and stated he fills there needs to be changes in the Charter. Discussion followed.

Gary Aldridge, 7112 South 45th Street, came forward and stated he is a home owner, and feels all sides involved could have handled this better. Discussion followed.

This matter was taken under advisement.

COUNCIL ACTION

PUBLIC HEARING - RESOLUTIONS

APPROVING THE 2016-2017 CITY TAX RATE OF .33366 PER \$100.00 OF ASSESSED VALUATION -
PRIOR to reading:

****Begin Verbatim****

Cyndi Lamm, Council Member, read the following statement into the record:

Wow! This last 17 months on the City Council has been quite an education for me.

A child of divorced parents, I was a confused teenager who dropped out of high school and spent time homeless on the streets of Lincoln. Over the years, I experienced personal and financial struggles. Through determination and grit, and with the help of some who poured wisdom into my life, I eventually went back to school, became an attorney, and here I am today-an elected official.

I am a regular person who came to city hall believing that the purpose of government is to serve the best interest and improve the quality of life for all of the people. Over the last 17 months I have instead learned that at the top of the executive branch of city government there is a desire to rule rather than to serve and to view governance as a game.

I am dismayed to find that the administration would rather intimidate than negotiate. I am disgusted that it will stop at nothing to fulfill the desire to dig deeper and deeper into taxpayer pockets without true regard for the reality of what that means for so many people here. I am appalled that the Mayor would risk the safety and well-being of Lincoln residents in order to get his way - win at all cost. When he vetoed a council-passed levy, the Mayor left this city facing the possibility of a \$3.5 million dollar hole! He exposed the citizens to risk that there would not be enough money to pay for vital police and fire services unless this council forfeited its right to appeal and voted his way today. I am dismayed that my Democrat colleagues assist the Mayor in this tyranny and that they are not as shocked as I am that the Mayor could force elected officials to vote his way and is willing to go to court to prove it!

But then, maybe my colleagues' complicity should not surprise me. It is my impression that my Democrat colleagues may have already had to give over their own voices more than once. Over this last 17 months I have heard people talk about partisan politics and blame that on the majority. But I have witnessed exactly the opposite-that the Democrats on this council have determined to walk in lock-step with the Mayor even if to do so is not in the best interests of Lincoln residents.

The majority has moved things forward. But, no matter how good they may be for the city, if the are not EXACTLY what the Mayor wants, my Democrat colleagues vote no. The majority passed a recycling ordinance. Though they know that recycling is good for Lincoln, because the ordinance did not have exactly what the Mayor wanted, Council woman Leirion Gaylor-Baird, Councilwoman Jane Raybould, and Councilman Carl Eskridge voted no.

The majority also passed a resolution to place a very important storm water bond on last May's ballot. Each of my colleagues talked about the importance of city infrastructure as a priority. But, when the measure did not cost taxpayers as much money as the Mayor wanted again Council members Leirion Gaylor-Baird, Jane Raybould, and Carl Eskridge voted not to even put in on the ballot. The good people of Lincoln overwhelmingly passed the bond.

Then we get to a budget process where the Mayor's budget was kept secret from the council when many of us wished to help solve any budget shortfall so that the city could live within its means. The Mayor was not interested in hearing recommendations to save citizens money but instead wanted us to find some other way to raise money somewhere else to fund his increased spending. This is unacceptable. And again, the Mayor had the help of my Democrat colleagues, who offered a single "take it or leave it" proposal that still raised taxes. All were unable or unwilling to make tough choices to help this city live within its means so they helped the Mayor push his tax increase through and even to find a way to force those of us who tried to save you money to vote for this tax increase.

Before I cast a vote, I want to say two things to Lincoln residents. First, please know that this is NOT my vote-my vote has been taken from me by the Mayor and the Court.

Second, I want to apologize to Lincoln residents. I know that some of our residents are okay with a tax, and other increases will go unnoticed by them, and I am glad they are doing will. But that is not true for everyone in Lincoln for whom we should be protecting and creating a better quality of life.

Councilwomen Leirion Gaylor-Baird and Jane Raybould have been financially privileged through life and I know the increases will not bother them. The department directors hired by the mayor and who helped put the mayor's budget together and who will spend your money will get raised between \$2,000 and \$4,800 under the Mayor's budget and this forced increase-the increase will not bother them. The Mayor himself will get a raise of about \$2,500 under this budget and this forced increase-the increase will not bother him either.

- To Lincoln's senior citizens, and to the blind, disabled, retired and veterans among us who live on fixed incomes, I am sorry that I am being forced to vote for an increase that makes it harder for you to live within your means when your city government is not willing to do the same.
- To those families who work so hard to make ends meet and those families of the 46% of Lincoln school children-our schoolchildren, who live in poverty, I am sorry. I have heard you and I know that to many of you even a \$17 to \$20 increase in taxes or rent related to tax increases does NOT mean you will just have to do without pizza, but may mean you are not able to buy new shoes for one or more of your children, or to buy a winter coat, and it may mean that you have to choose at some point between food on the table or paying your utilities. I am sorry. I am sorry that I am being forced to vote to add to your burden.

Being a burden is not what I am about and increasing your taxes rather than living within its means is not what your government should do right now.

Carl Eskridge, Council Member, stated I will tell a story. In 1878, 1877, no 1887 excuse me in 1887 Lincoln was 20 years old, the State was 20 years old, City Council was charged with contempt, indeed found guilty of contempt, by an 8th Circuit Judge. The situation that was going on at the time was ... uh, there was an office in the community ... office called a police judge. I think that the office was something like a Vice Officer. And this ... this individual did a good job ... did a great job in policing the community and ... and dealing with the problems at hand, which primarily were issues like gambling, prostitution and alcohol issues. Some things change, some things don't. So what happened was a the City Council ... well this individual did a great job collecting the fines but, he didn't do such a good job in turning them in to the city. And so, City Council, the Mayor, there were 11 of us at that time, interestingly ... uh, and the person was a scoundrel, wasn't doing their job, and we or the Mayor or all of us together fired him. Well this was appealed to the courts, and some how it got into Federal Courts the 8th Circuit, and the 8th Circuit Judge said you can't do that. I think because this person was a judge. We wouldn't have authority over a judge. Well, the court ordered council to hire him back you gotta to take him back. We wouldn't do that, we wouldn't do that, and so we, our predecessors stood up to the court and said no, we're we're not doing that. The Mayor and all of the Council Members at the time ... spent a week in Douglas County Jail, until this matter got forwarded to the Supreme Court, the United States Supreme Court, and they dealt with it and said no there is no jurisdiction here. Uh, we got out of jail, and the individual remained fired. Its just a little history lesson. We've ... we've had issues before and hopefully nobody spends a night in jail. That would not be good for any of us. We have heard some words already this morning about compromise, and I think all of us, hopefully, all of us are open to compromise. Um, I know that ... that we worked hard to try to find a compromise measure. We found what we hoped would be a compromise that was halfway between the budget that the council approved, and the budget the Mayor submitted, and did not get support for that. And we felt the need to ... to fund the cost the needs of the city. And you can itemize what those important needs are in terms of police and fire, public safety, uh, public transportation, all the infrastructure issues, the looming threat of the Emerald Ash Borer, uh, the police and fire pension ... all of the kinds of challenges that we face as a community. And we balance that I think all of us try to balance that between those costs, and and the burden on all of us as taxpayers. We realize that any tax dollar is ... is ... is important and we have a fiduciary responsibility to ... to watch over those carefully. But, we also realize that the city's budget, the City Council's budget portion of the property tax, is approximately 15% of every dollar ... of every property tax dollar. For all of those services the city provides, it is approximately 15 cents on the dollar. Last week at our special meeting to set the property tax levy, I voted no, I voted no on both of the

resolutions that were before us. Remember where we were at the time, the jury was still out or the judge and we were still waiting for the judge determination ... the meaning of the Charter language concerning the Mayors ability to veto councils budget ... to replace Council's budget with his proposed budget, and also then the question of the Councils legal duty ... to set the levy based upon the approved budget that was before Judge Otte at the time. At that meeting, I agreed to vote for the measure that Judge Otte deemed to be the measure that was identified in the City Charter. And I ask that all of us do the same thing. It's not a big ask. It is simply asking that we follow the law ... according to the, plain and ordinary meaning, of the voter approved City Charter ... which states that we have an individual, and a joint duty together, to fund our city budget. Judge Otte has now ruled ... and I agree to do ... and today I will agree to do as I mentioned last week ... and support the finding of the judge. And, again, I urge us all to do the same. Thank you.

Trent Fellers, Council Member, stated I think Cyndi put it right when she said that the judge has taken away our ability to vote. And I think that ... the judge has taken away the discretion of each member sitting up here today. Uh, I know that some of us may not feel that way ... uh, but I would challenge you to think uh, of how this would work in a different situation when ... uh, you are on the other side. And, uh, challenge you to think that way because I ... I don't think that this ... the way the Charter reads is the way uh, we want our city to operate. Um, and the way we want to see future budget processes work. Um, this isn't ... this isn't been a great process um, although, I think the one good thing that we have learned out of this is that we have an opinion, an opinion of the court of what the law is. And that is you know, only the opinion of that court. Could have been uh, could have been changed by a different court, we won't know, uh, but I ... I still don't think that's the process that we want for our city. Um, that a budget can be introduced and stand that way. I ... I ... I think that we need a different process for our city. Um, I'm going to comply, as I said in the paper a couple of days ago, I'm going to comply with the judges order. Um, I think that's the best way to move the city forward, I think that's the best way for us to start moving down the path of doing the great things that we've done over the past couple of years, to uh, ... put up buildings in the city uh, to keep us moving forward, to start solving the problems that we set out to solve within the budget process. Uh, and just kinda get this body back to a place where ... we're not talking about the budget, and only the budget. And start talking about the other things that affect this city. Um, and a keep it going I hope that we can remain uh, the ... the body that that we see behind the wall here. Uh, there is a lot of friendships here, there is a lot, there is a lot of mutual respect. Um, I don't think this process has damaged us um, in the relationships that are here. Um, and I want to see us continue to move forward, um that way, um and maybe let the public see a little bit more of that as we move forward in the future. Thank you.

Jane Raybould, Council Member, stated I am going to support this property tax rate, it's our duty, it's our obligation. We have a growing city ... we have a growing and thriving city. We have a city that has done so much good, for so many. The budget that was worked on proposed, by the Mayor... and we had every opportunity to compromise and make sure that burden to our taxpayer ... is fair and not onerous. I think each and every one of us on ... this podium today are very concerned about those in our community first and foremost. The compromise that was put out ... in a very genuine fashion was to reduce what the Mayor was asking in half. Because we recognize the burden ... on those in our community that struggle with their day-to-day obligations. I am going to support this, because our city is growing. Uh, since 1990 it's expanded its territory by over 30 miles. And since the Mayor came onboard it has increased by 7.4 miles. Our city population has increased ... Lincoln and Fire Rescue calls are up 22%, and the majority of our budget ... 50% of our budget goes to public safety. That impacts all of us. I'm very proud ... that the property tax rate that we are going to be voting on, in a few minutes, supports all that. It supports our ... our parks, which consistently run at 1.6 Million dollar deficit, it keeps abreast of our pension obligations, it fully funds our Certificate of Participation Bond obligations. It funds the important things that reach so many in our community. I think the Mayor said it the best ... when he issued his press release after Judge Otte had ruled. Mayor Beutler, said "the rule of law is the fundamental underpinning of a Democratic Society, democracy can not function if those governed and those who govern do not follow the law." And I will support this property tax.

Leirion Gaylor Baird, Council Chair, stated in closing I just wanted to say, that budgets present difficult decisions. How much money do we need to fund our city's growth and well being, what must be done now, and what must wait until tomorrow ... and around what issues can we build compromise and consensus. And what's less difficult than the answers to these questions what's ... what's clear looking back on this particular budget process, is that everyone got involved. The council, all 7 of us, the Mayor, city staff, and citizens ... care deeply about the budget and what it means for Lincoln's future. It's also clear that this budget includes many things of which we can all be proud ... so I really just wanted to say, thank you, to everyone ... who wrote letters, emails, who called, who came down to a special public hearing at 7:30 in the morning like today. Uh, we appreciate the public input we receive. And I wanted to thank my colleague and the Mayor for the hours that they have poured into this process. It's my hope that the dedication ... that this budget process ... shows, illustrates, highlights, makes perfectly clear, is the same dedication that will allow us to find consensus as we move forward from this. Please call the roll.

****End Verbatim****

CLERK Read the following resolution, introduced by Jane Raybould, who moved its adoption:
A-90024 A RESOLUTION establishing a final property tax levy for the City's 2016-2017 fiscal year and
adjusting the City tax rate required in the City budget resolution on August 22, 2016.

RECITALS

I.

Pursuant to Neb. Rev. Stat. § 77-1601.02, the City Council of the City of Lincoln is authorized to pass, by a majority vote, a resolution setting the final tax rate.

II.

Pursuant to Neb. Rev. Stat. § 77-1601.02, notice was published in a newspaper of general circulation on October 6, 2016, which date was at least five days prior to October 11, 2016 being the date upon which the City Council held a special public hearing called for the purpose of considering and acting upon this resolution.

III.

When the budget was adopted on August 22, 2016, the tax rate was anticipated to be .33366 per \$100 of assessed valuation. Final certified valuations from the County Assessor’s office have not changed the tax rate necessary to fund the adopted budget.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Lincoln, Nebraska:

That after notice and public hearing as required by law, the City Council does hereby set the following final levy for the City of Lincoln 2016-2017 fiscal year for a property tax request of \$62,964,396: \$0.33366 per \$100 of assessed valuation which total rate is comprised of the following:

Bond Interest & Redemption	.03402
General	.19894
Library	.04443
Social Security	.01581
Police and Fire Pension	.04019
Unemployment Compensation	<u>.00027</u>
Total	.33366

Introduced by Jane Raybould

Seconded by Eskridge & carried by the following vote: AYES: Christensen, Eskridge, Fellers, Gaylor Baird, Lamm, Raybould; NAYS: None; ABSENT: Camp.

APPROVING THE 2016-2017 CITY TAX RATE OF 0.32194 PER \$100.00 OF ASSESSED VALUATION - PRIOR to reading:

CHRISTENSEN Moved to indefinitely postpone Bill No. 16R-223.

Seconded by Fellers & carried by the following vote: AYES: Christensen, Eskridge, Fellers, Gaylor Baird, Lamm, Raybould; NAYS: None; ABSENT: Camp.

The resolution, having **LOST**, was assigned File #**38-4675** & was placed on file in the Office of the City Clerk.

ADJOURNMENT

8:05 A.M.

CHRISTENSEN Moved to adjourn the City Council Meeting of October 11, 2016.

Seconded by Raybould & carried by the following vote: AYES: Christensen, Eskridge, Fellers, Gaylor Baird, Lamm, Raybould; NAYS: None; ABSENT: Camp.

Teresa J. Meier, City Clerk

Rhonda M. Bice, Office Specialist